

**AMENDMENT TO THE COMMITTEE PRINT**  
**OFFERED BY MR. GANSKE**

**[Confidentiality]**

At the end of title III, add the following new sub-  
title:

1           **Subtitle E—Confidentiality**

2   **SEC. 351. CONFIDENTIALITY OF HEALTH AND MEDICAL IN-**  
3           **FORMATION.**

4           (a) IN GENERAL.—A company which underwrites or  
5 sells annuities contracts or contracts insuring, guaran-  
6 teeing, or indemnifying against loss, harm, damage, ill-  
7 ness, disability, or death (other than credit-related insur-  
8 ance) and any subsidiary or affiliate thereof shall maintain  
9 a practice of protecting the confidentiality of individually  
10 identifiable customer health and medical information and  
11 may disclose such information only—

12               (1) with the consent, or at the direction, of the  
13 customer;

14               (2) for insurance underwriting and reinsuring  
15 policies, account administration, reporting, inves-  
16 tigating, or preventing fraud or material misrepresen-  
17 tation, processing premium payments, processing  
18 insurance claims, administering insurance benefits  
19 (including utilization review activities), providing in-

1       formation to the customer's physician or other  
2       health care provider, participating in research  
3       projects, enabling the purchase, transfer, merger, or  
4       sale of any insurance-related business, or as other-  
5       wise required or specifically permitted by Federal or  
6       State law; or

7               (3) in connection with—

8               (A) the authorization, settlement, billing,  
9               processing, clearing, transferring, reconciling,  
10              or collection of amounts charged, debited, or  
11              otherwise paid using a debit, credit, or other  
12              payment card or account number, or by other  
13              payment means;

14             (B) the transfer of receivables, accounts,  
15             or interest therein;

16             (C) the audit of the debit, credit, or other  
17             payment information;

18             (D) compliance with Federal, State, or  
19             local law;

20             (E) compliance with a properly authorized  
21             civil, criminal, or regulatory investigation by  
22             Federal, State, or local authorities as governed  
23             by the requirements of this section; or

24             (F) fraud protection, risk control, resolving  
25             customer disputes or inquiries, communicating

1 with the person to whom the information re-  
2 lates, or reporting to consumer reporting agen-  
3 cies.

4 (b) EFFECTIVE DATE; SUNSET.—

5 (1) EFFECTIVE DATE.—Except as provided in  
6 paragraph (2), subsection (a) shall take effect on  
7 February 1, 2000.

8 (2) SUNSET.—Subsection (a) shall not take ef-  
9 fect if, or shall cease to be effective on and after the  
10 date on which, legislation is enacted that satisfies  
11 the requirements in section 264(c)(1) of the Health  
12 Insurance Portability and Accountability Act of  
13 1996 (Public Law 104–191; 110 Stat. 2033).

14 (c) CONSULTATION.—While subsection (a) is in ef-  
15 fect, State insurance regulatory authorities, through the  
16 National Association of Insurance Commissioners, shall  
17 consult with the Secretary of Health and Human Services  
18 in connection with the administration of such subsection.